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covering the property by mistake granted to the defendant. *Held*, that the defendant holds the land in trust for the plaintiff and must convey to him. *Lamb v. Schieffner*, 40 N. Y. L. J. 1495 (N. Y., App. Div., Jan. 8, 1909).

It is obviously inequitable that a grantee retain property not intended to be conveyed to him. As between the original parties equity will in such case either allow complete mutual restitution or convert the grantee into a constructive trustee of the property inadvertently passed, and order a reconveyance. *Brown v. Lamphear*, 35 Vt. 252. It has been declared in general terms that redress will also be given as between those claiming under the original parties in privity. 1 STORY, Eq. JUR., 13 ed., § 165. Privity in this connection has been variously interpreted. See *White v. Kingsbury*, 77 Tex. 610; *Farley v. Bryant*, 32 Me. 474. It is submitted that on principle and authority no narrower rule should govern than that applicable to the running of equities generally. *May v. Adams*, 58 Vt. 74. Thus conceived, privity may be based either upon assignment of the contract or upon succession to the property. By construing the common grantor's deed to the plaintiff as a transference of his beneficial interest, the court readily finds privity of estate. A desirable result is accordingly achieved by correct technical processes. See *Widdicombe v. Childers*, 124 U. S. 400.

CORPORATIONS — FEDERAL JURISDICTION — FORMATION OF NEW CORPORATION TO EFFECT DIVERSITY OF CITIZENSHIP. — A South Dakota corporation brought ejectment against a citizen of Georgia in the United States Circuit Court, claiming jurisdiction by diversity of citizenship. The plea showed that the plaintiff was not the real party in interest, but had been organized and was doing business that citizens of Georgia might use its corporate name in order to create an apparent diversity of citizenship, and so get into the federal courts. *Held*, that the action be dismissed, as an attempted fraud on the court's jurisdiction. *Southern Realty Investment Co. v. Walker*, U. S. Sup. Ct., Jan. 4, 1909.

This decision is the logical outcome of a number of similar cases, where the property in controversy was conveyed to a new corporation organized for the purpose of acquiring federal jurisdiction. The Supreme Court has uniformly dismissed these suits. *Lehigh Mining & Mfg. Co. v. Kelly*, 160 U. S. 327; *Miller & Lux v. East Side Canal, etc., Co.*, 211 U. S. 293. The fraud is still more palpable where the cause of action is assigned, or where the name of the corporation organized for the fraudulent purpose is "borrowed." An assignment to an existing foreign corporation doing a legitimate business would probably be treated in the same way, since the transaction would be as much for the sole benefit of the real owner as in the case of a transfer of the property. However, a *bona fide* purchaser of the claim, or of the property, should, of course, be allowed to sue. For a discussion of the principles involved, and a consideration of the *Miller & Lux* case, see 22 HARV. L. REV. 290.

EQUITABLE CONVERSION — DEVOLUTION AFTER TOTAL FAILURE OF PURPOSES OF CONVERSION. — By a marriage settlement, real estate was conveyed by the settlor to trustees to the use of the settlor for life, and then to the use of trustees upon trust to sell for certain specified purposes. Afterwards, by his will, the settlor devised all his interest in these estates to his successor in fee. At the time of the settlor's death all the purposes for which conversion had been directed had failed. *Held*, that these estates devolve as realty under the testator's will. *In re Lord Grimthorpe*, [1908] 2 Ch. 675.

When real estate is settled upon trust to sell for certain purposes, the general rule is that the conversion takes effect as soon as the deed is executed. *Griffith v. Ricketts*, 7 Hare 299. Under this rule, the estates would be treated as personality from the time of the marriage settlement. Nevertheless, since the settlor possessed the entire beneficial interest at the time of his death, he was entitled to elect, as he did by his will, that the property should remain in the form of realty. See *Harcourt v. Seymour*, 2 Sim. N. S. 12; *Stead v. Newdigate*, 2 Meriv. 521. The court, however, obtained the same result by the less artificial